

## Market Notice

**Number:** A1539

**Date** 21 December 2011

### Changes to Initial Margin Requirements – Foreign Referenced Commodities

The cash settled CORN, REDW, SOY COMPLEX (BEAN, MEAL and OILS), GOLD, PLAT, WTIO, COPP and SILV contracts initial margin requirements are determined using the same methodology as per the currency futures. Margins are adjusted on a monthly basis unless market conditions require otherwise.

Please note the following changes to initial margin requirements will take effect **Wednesday 28 December 2011 for settlement on Thursday 29 December 2011:**

Contract Code	Expiry Date	Fixed Margin	Margin Change	Calendar Spread Margin	Series Spread Margin
CORN	Mar-12	15300	1400	4600	3200
CORN	May-12	15700	1300	4600	3200
CORN	Jul-12	15900	1300	4600	3200
CORN	Sep-12	15200	700	4600	3200
CORN	Dec-12	15000	0	4600	3200
BEAN	Mar-12	25800	1300	7800	3200
BEAN	May-12	26000	1300	7800	3200
MEAL	Mar-12	22000	600	6700	3200
MEAL	May-12	22600	300	6700	3200
OILS	Mar-12	15900	200	4800	3200
OILS	May-12	16000	200	4800	3200
GOLD	Apr-12	8400	300	2500	800
GOLD	Jun-12	8200	600	2500	800
PLAT	Jan-12	8800	700	2700	800
PLAT	Apr-12	8900	700	2700	800
WTIO	Feb-12	8000	300	2500	n/a
WTIO	Jun-12	8700	200	2500	n/a
COPP	Mar-12	5600	0	1700	n/a
COPP	Jul-12	5600	0	1700	n/a
SIL	Mar-12	12500	700	3700	n/a
SIL	Jul-12	12000	1200	3700	n/a
REDW	Mar-12	8900	600	2900	4200
REDW	Jul-12	9500	600	2900	4200
REDW	Sep-12	9900	600	2900	4200
REDW	Dec-12	10300	700	2900	4200



JSE Limited Registration Number: 2005/022939/06  
One Exchange Square, Gwen Lane, Sandown, South Africa.  
Private Bag X991174, Sandton, 2146, South Africa. Telephone:  
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

**Executive Directors:** RM Loubser (CEO), NF Newton-King, F Evans (CFO) **Non-Executive Directors:** HJ Borkum (Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence, A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne  
**Alternate Directors:** JH Burke, LV Parsons

\* Changes in **red** denote an increase and **green** a decrease in initial margin.

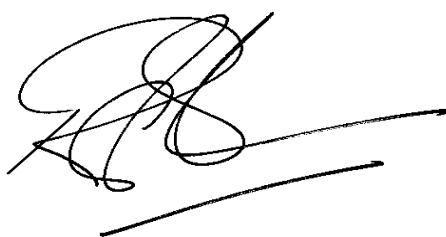
Please note in terms of the series spread margin, offset margin is recognized for the following products:

- WMAZ/YMAZ and CORN
- GOLD and PLAT
- WEAT and REDW

It is important that the difference in outright initial margin between the products is added to the series spread margin in order to determine the total initial margin required per structure. As an example, in terms of the maize and corn spread position, depending on the expiry, the margin could increase by anything between R5200 and R5900 (e.g. 15900 – 10000 = 5900) per contract.

Should you have any queries regarding the margining methodology in use, please contact the Commodities Team on 011 520 7535 or e-mail [commodities@jse.co.za](mailto:commodities@jse.co.za)

An updated list of all Safex initial margin requirements will be posted on the following FTP site:  
<http://www.jse.co.za/DownloadFiles.aspx?RequestedNode=DownloadableDocuments/Safex/APD%20Margin%20Requirements/2011>



**Rod Gravelet-Blondin**

Designation      Senior General Manager  
Division          Commodity Derivatives Division  
Tel                +27 11 520 7258  
Fax                +27 11 520 7558  
E-mail address:   [rodgb@jse.co.za](mailto:rodgb@jse.co.za)

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